

# Governor forms group to lure tech business

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One cannot live on horses, tobacco and alcohol alone. Unfortunately, according to a recent study of the state's ability to attract life sciences and biotech jobs to the commonwealth, Kentucky has relied far too long on the old staples of the Bluegrass.

The state is a perennial cellar-dweller in the categories biotech companies closely examine before deciding where to locate, ranked 45th nationwide in percentage of residents with a bachelor's degree. And Kentucky failed to even show up in a category measuring technology concentration and dynamism, according to a 2004 Milliken Institute index of states' science and technology. To address the issue, Gov. Ernie Fletcher formed a consortium of professional, entrepreneurial, governmental and academic experts to bring Kentucky up to the level of regional and national leaders in attracting high-tech jobs to the state.

"Jobs are being attracted," according to the report released by Fletcher in early August. "But largely they are commodity jobs and not knowledge-based positions that Kentucky needs to be competitive in the global economy."

Fletcher formed the consortium in 2004 to look into the issue and present ways to pull Kentucky into the new age of employment.

Citing success with the auto industry, including the next generation of

hybrid vehicles at Toyota's Georgetown plant, Fletcher told a Capitol news conference that though immediate gains in high-tech jobs as a result of the report wasn't likely, it will help the state build a foundation for making Kentucky a leader in bio and life sciences.

The report recommends the state focus on four main areas that are important and achievable, given the substantial ground Kentucky has to make up.

"With the proper utilization of existing resources, the development of key new programs, strong leadership within state government and coordinated efforts among all programs and stakeholders, Kentucky has the opportunity to become a world leader in specific niches of the life science industry and to develop world-class status in others," the report states.

Those four areas are natural products, medical devices, health technology, and niche pharmaceutical and biotechnology.

The report singled out the four because of a pre-existing infrastructure in the state for them, such as Alltech's in-state production of animal feed, which utilizes the state's natural products and can also find its way into pharmaceuticals. The UPS hub in Louisville provides "efficient and rapid delivery of time-sensitive medical devices" to the state's top hospitals, namely, in the report, the University of Louisville's Cardiovascular Innovations Institute partnership with Jewish Hospital.

The report also names Louisville-

based Humana and its spin-offs as an obvious attraction for health-tech services.

Fletcher told the news conference an eyed increase in market share by Alltech and the new University of Kentucky College of Pharmacy's Center for Pharmaceutical Science and Technology at UK's Coldstream Research Campus could mean a boost in new market jobs in advance of the report's effectiveness.

In order to attract the identified types of business, the report recommends the establishment of a venture fund earmarked solely at life science, creating "seed funds" for life science start-ups and a focus on education

starting in kindergarten to raise interest in the life sciences following students all the way through higher education.

In order to accomplish these goals the report calls upon the state to direct the new Commissioner for the Department of Commercialization and Innovation, Deborah L. Clayton, as the leader responsible for attracting these types of jobs and creating development incentives.

The 20-page report doesn't establish a timeline for completing these tasks, but Fletcher said he knows time is of the essence as Kentucky attempts to get its piece of the biotech pie that has seen its national revenues climb from \$8 billion in 1992 to \$39.2 in 2003.